



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Financial Audit

*Including the Provisions of the Single Audit Act
October 1, 2000 through September 30, 2002*

Family Independence Agency (FIA)

Report Number:
43-100-03

Released:
July 2004

A Single Audit is designed to meet the needs of all financial report users, including an entity's federal grantor agencies. The audit determines if the financial schedules and/or financial statements are fairly presented; considers internal control over financial reporting and internal control over federal program compliance; determines compliance with State compliance requirements material to the financial schedules and/or financial statements; and assesses compliance with direct and material requirements of the major federal programs.

Financial Schedules and Financial Statements:

Auditor's Reports Issued

We issued unqualified opinions on FIA's financial schedules and on the financial statements of the Children's Trust Fund and the Child Support Collection Fund.

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Internal Control Over Financial Reporting

We did not identify any material weaknesses in internal control over financial reporting. However, we did identify reportable conditions (Findings 1 through 9).

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Noncompliance Material to the Financial Schedules or Financial Statements

We did not identify any instances of noncompliance applicable to the financial schedules or financial statements that are required to be reported under *Government Auditing Standards*.

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Federal Awards:

Auditor's Reports Issued on Compliance

We audited 19 programs as major programs and issued 8 unqualified opinions, 8 qualified opinions, and 3 adverse opinions. The opinions issued by major program are identified on the back of this summary.

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Internal Control Over Major Programs

We identified reportable conditions related to internal control over major programs (Findings 10 through 25). We consider Findings 10, 12, 13, 15 through 19, and 21 through 23 to contain material weaknesses.

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Required Reporting of Noncompliance

We identified instances of noncompliance that are required to be reported in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 (Findings 10 through 25).

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Systems of Accounting and Internal Control:

We determined that FIA was in substantial compliance with Sections 18.1483 - 18.1487 of the *Michigan Compiled Laws*.

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We audited the following programs as major programs:

<u>CFDA Number</u>	<u>Program Title</u>	<u>Compliance Opinion</u>
10.551 and 10.561	Food Stamp Cluster	Qualified
16.523	Juvenile Accountability Incentive Block Grants	Unqualified
16.540	Juvenile Justice and Delinquency Prevention: Allocation to States	Qualified
16.588	Violence Against Women Formula Grants	Qualified
83.543	Individual and Family Grants	Unqualified
84.126	Rehabilitation Services: Vocational Rehabilitation Grants to States	Unqualified
93.556	Promoting Safe and Stable Families	Unqualified
93.558	Temporary Assistance for Needy Families (TANF)	Qualified
93.563	Child Support Enforcement (CSE)	Qualified
93.566	Refugee and Entrant Assistance: State Administered Programs	Adverse
93.568	Low-Income Home Energy Assistance (LIHEAP)	Qualified
93.569	Community Services Block Grant (CSBG)	Unqualified
93.575 and 93.596	Child Care Cluster	Qualified
93.645	Child Welfare Services: State Grants	Unqualified
93.658	Foster Care: Title IV-E	Adverse
93.659	Adoption Assistance	Qualified
93.667	Social Services Block Grant (SSBG)	Unqualified
93.674	Chafee Foster Care Independent Living	Adverse
93.778	Medicaid Cluster	Unqualified

A copy of the full report can be
obtained by calling 517.334.8050
or by visiting our Web site at:
<http://www.audgen.michigan.gov>



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